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THE NEW YORK HERALD

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The New York Herald, with all that was best of The Sun intertwined with it, and the whole revitalized, is a bigger and better and sounder newspaper than ever before.

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HOLDUP MEN GET 2 MORE PAYROLLS; SUSPECTS TAKEN

Four Bandits Time Entry Into Plant to Seize Envelopes With \$1,550.

MONEY CAR IS BLOCKED

Universal Funeral Company Loses \$2,100 by Traffic Trick.

AID IS REFUSED VICTIM

Taxicab Drivers Near East 52d Street Will Not Pursue the Robbers.

Two holdups, with pay roll money the objective, one of which took place outside an office in First avenue with traffic crowding past, were carried out successfully yesterday. Detectives in search of the three bandits who seized \$2,100 in holding up Michael Dempsey, a clerk of the Universal Funeral Company, 597 Lexington avenue, picked up the trail of an automobile which they crowded to the curb at Eleventh avenue and Forty-fourth street. One of the three men in the machine had a revolver, and all three after being questioned were charged with suspicion of robbing the funeral company.

They were Anthony Viskovich, 547 West Thirty-ninth street; William Epelchich, 2396 Second avenue, and James Cipolatti, 466 West Third-third street. Cipolatti was said to have been identified last night as one of three men who on February 24 held up John Walker, cashier of the Liquid Carbonic Company of First avenue and Thirty-sixth street and obtained \$2,500.

Soon after noon four masked bandits with drawn revolvers entered the offices of Joseph Mitchell & Son, building contractors, of 322 West Twenty-fourth street, leveled revolvers at Frank Anderson, cashier, and took \$1,550.

The money had been apportioned in envelopes, all of which were seized. The holdup was set for a few minutes of the usual time for payments.

Cashier Makes No Resistance.

Anderson was alone in the office, and obeyed the instructions. But up his hands. He was warned that he would be "filled with bullets" if he made an outcry. The bandits fled. The holdup was over in less than five minutes, and when pursuit was begun the bandits had escaped far up the street in an automobile.

Dempsey had just left the Universal Funeral Chapel with the payroll for Horvath & Co., manufacturers of coffins, at 229 East Fifty-third street, associated with the chapel, when he was halted on the street by three armed men who seized the money and fled in an automobile. Dempsey said that the automobile in which he was to make the delivery of the money was blocked by two other cars, and while he waited for it at the curb, the bandits swung in and snatched the money and fled.

The man driving the car, a 1921 Buick, was identified as George Giffault, manager of the Baltimore Copper Smelting and Rolling Company of 128 and 129 Fourth street.

Shepherd was employed as a porter and, it was alleged, adopted a practice of calling expressmen to remove goods from the company's warehouse to a junk dealer who was identified by Shepherd, according to the police, as Samuel Jaffee of 26 Fifth avenue. Jaffee was arrested and charged with receiving stolen goods, and although he protested his innocence, was locked up. In all, Shepherd removed 78,000 pounds of ingots valued at \$20,000 in the market. Detectives Ertion and David allege.

In the investigation the detectives said they talked with several expressmen who had been called to the warehouse by Shepherd, who was charged with having been aroused by the frequency of trips to the junk dealers, and had refused to carry any more ingots. Shepherd is married, and according to the detectives, asserted he and his wife had been having a "great splash" with their sudden income.

Copper Turned Into Joy Rides

A negro who is alleged to have made \$50,000 from the sale of stolen copper ingots between July and October, 1921, and to have spent the entire sum in joy rides and other amusements, was arrested yesterday and charged in Police Headquarters with grand larceny. He is Harry Shephard of 36 St. Nicholas avenue. The complainant is George Giffault, manager of the Baltimore Copper Smelting and Rolling Company of 128 and 129 Fourth street.

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\$5,000 Haul in Home

Clothing and silverware valued at \$5,000 were stolen Tuesday night from the apartment of Henry Fackett of 207 West Eighty-fifth street, it was learned yesterday, by burglars who forced through two doors. Mr. Fackett, who is connected with the Kendall Products Corporation, 763 Sixth avenue, was attending a picture show with his wife and daughter, and discovered the burglary on their return. The intruders had gained entrance from the roof.

The holdup of Primus England, assistant treasurer of the Tiffin Products, Inc., Jackson avenue and Second street, Long Island City, on Friday afternoon, is believed to have been made by a man affixing, according to Capt. Ernest V. Diezelski of the Hunters Point detective bureau.

No progress has been made in catching the man, England, who was shot in the back, is not in a serious condition.

Special police guards were requested yesterday by many manufacturing plants in the Astoria section of Long Island City, and it was estimated that more than \$200,000 was transferred from banks under this anti-holdup protection.

FOUND ANYTHING

If so, it is advertised in the Last and Second columns of today's New York Herald.

'Pikers' Fill Monte Carlo; Wild Plunging Absent

Special Cable to THE NEW YORK HERALD. Copyright, 1922, by THE NEW YORK HERALD. New York Herald Bureau, Paris, March 4.

NEVER have pikers been so plentiful at Monte Carlo. The official figures up to March 1 show that the season's play has amounted to only 41,000,000 francs, as compared with 48,000,000 last year. The tables this year are considerably larger than at any time since the war. The croupiers are taken back by this economy, declaring that money is plentiful, but that the individual playing lacks the wild plunging which has made Monte Carlo the world's greatest casino.

CURB STOCK HOUSE IN RECEIVER'S HANDS

Ernest H. Clarke & Co. Said to Own \$400,000 and Have \$250,000 Assets.

DES CHAMPS BOOKS GONE

Key to Montreal Deposit Box Sought in Effort to Find Securities.

Ernest H. Clarke, curb broker, trading as E. H. Clarke & Co., 3 Rector street, went into the hands of a receiver yesterday. Clarke's creditors and their claims are: William Kobe, \$500; Walter E. Wills, \$32, and the Polygraph Printing Company, \$50.

The petition for receiver estimated the liabilities of the firm at \$400,000 and the assets at \$250,000. Judge Learned Hand in the United States District Court appointed David Hunter Miller receiver under \$200,000 bond.

Hays & Wadhams, 43 Exchange place, attorneys for Clarke & Co., made the following statement:

"E. H. Clarke & Co. have deemed it advisable to place their affairs in the hands of the courts in order to prevent preferences among their customers. For the past several weeks they have suffered a loss on them similar to that which has caused so many other brokerage houses to liquidate."

"A continuation of business would have resulted in a dissipation of the quick assets on hand and would have left nothing but slow assets to protect those customers who had most faith in them. We believe they will be in a position to make a satisfactory settlement with their customers, and with the help of their friends they hope to reorganize the firm in the very near future."

Says \$1,000 Is Withheld.

W. O. Custer, of Massillon complained to the District Attorney that he had put \$1,000 with Clarke & Co. and that he could neither get back his money nor the securities which he had asked them to buy.

An order appointing Harold Remington receiver for Schulkind Brothers, stock brokers, of 30 Broad street, was signed by Judge Hand. The firm consisted of David C. Schulkind and Samuel Magid and was taken into the bankruptcy court Friday.

The receiver's office is at 100 Broadway. The receiver's bond was fixed at \$5,000.

Des Champs Books Gone

Word from Montreal advised that the books of J. Des Champs & Co., New York brokers, with a branch in Montreal, had disappeared. The only records of the firm which Alan J. Hart, trustee under the receiver, has found are one customer's ledger of doubtful value and one other book which, it is said, will be useless in unraveling the firm's affairs.

Besides the books, the key of a safety deposit box has vanished. This box is alleged to contain clients' collateral, according to Mr. Hart. Jack Abrahamson, stock broker of Des Champs & Co., told the creditors that there was \$300,000 in collateral in the box, but so far as Mr. Hart knows it may be full of peanuts.

Hart has communicated with Benjamin Shulman, who is in this city in the interest of Des Champs customers, and has asked him to try to find the key to the whereabouts of the missing books. Montreal creditors who thought there were securities and cash for them in New York have been informed by Mr. Shulman that there is nothing left.

The have lost between \$75,000 and \$100,000, against which so far only \$900 cash has been found.

Mr. Abrahamson estimated the unknown contents of the safety deposit box at \$30,000, but Mr. Hart and the creditors are dubious about it. Further claims are expected, it is said.

400 Clarke Customers in Chicago.

Special Dispatch to THE NEW YORK HERALD. CHICAGO, March 4.—Nearly 400 Chicago investors are interested in the failure of E. H. Clarke & Co. of New York, curb market, and with a branch office here at 108 South La Salle street.

"We were doing a good business here," said Charles J. Schuchman, cashier of the Chicago office. "We had between 350 and 400 accounts; we had no idea as to how much money Chicagoans have invested with us."

He added that E. H. Clarke had wired that the situation was not "half as bad as it looks," and expressed hope for an early reorganization.

Vermont Office Closed.

BURLINGTON, Vt., March 4.—The local office of E. H. Clarke & Co., New York curb brokers, whose failure was announced today, closed last night. A "contemplated reorganization" was about to take place. It is estimated that local investments with the firm totaled about \$20,000.

Howell & Wales in Court.

PHILADELPHIA, March 4.—Judge Thompson in United States District Court today appointed George F. Lumb of Harrisburg auxiliary receiver for Howell & Wales, brokers, who had offices in Harrisburg and New York.

BARS TO SMUGGLING BREAK BEFORE RUSH OF ALIENS AND RUM

Immigration and Dry Forces Powerless to Guard Coasts and Borders.

MANY ON HALF TIME

Failure to Obtain Funds From Congress Makes Violation Easy.

THOUSANDS ENTERING U.S.

Hordes of Undesirables Await Chance to Get In—Japanese Dodging the Lid.

Special Dispatch to THE NEW YORK HERALD. New York Herald Bureau, Washington, D. C., March 4.

In the face of positive information published by THE NEW YORK HERALD that thousands of undesirable aliens are being smuggled into the United States systematically in violation of the immigration laws, which since have been corroborated fully by Government reports, word was passed brazenly this week among the members of the smuggling fraternity up and down the southern Atlantic and Gulf coasts and along the Mexican and Canadian borders that "the lid is off" for the next four months. The word is correct.

At a time when the Federal immigration authorities admit that it is practically impossible for them to make any headway against the smuggling gangs, especially those who are operating from Cuba to the thousands of bays and inlets on the Florida coast, the Immigration Bureau of the Department of Labor has been forced to issue orders to lay off hundreds of inspectors between now and July 1 because of the restricted Congressional appropriations.

Unless Congress acts immediately by passing a deficiency bill granting approximately \$100,000 to the Immigration Bureau, between 400 and 700 men will be given two weeks' furlough every thirty days until the end of the fiscal year.

Opens Door to 10,000 Aliens.

It is predicted in Congressional circles that at least 10,000 alien immigrants will be admitted under the law which will be able to slip into the United States. For each one of them the smuggling gangs that are operating small vessels or fast automobiles along the Southern coast and the borders will collect from \$100 to \$500.

The Immigration Bureau finds itself in the same position as the Prohibition Enforcement Office at this time last year, when hundreds of enforcement agents had to be laid off for several months due to lack of funds to pay salaries. The reason for this was the same: the gradual decline of prices of almost all necessities has been going on steadily for many months. There is nothing in sight in the general economic situation to indicate that the low level has yet been reached. A continued decline is recorded month by month as the price statistics flow into the offices of the labor department, where the statisticians preside over and keep watch of the price index lines.

During the last twelve months the change in the price levels of the major necessities has occurred as follows:

Food -15%
Clothing -25%
Foot and light -15%
Furniture -25%
Housing -25%

A plus instead of a minus sign before the percentage of change in the cost of housing shows that this is the only major necessity which has failed to follow the general downward trend of prices. In this connection, however, the reports of the Labor Department are admitted to be not a true reflection of the actual conditions. This is because the Department received reports on rents only on the basis of the receipts of the first or original landlords. No consideration is given to the receipts of persons who sublet to other tenants the apartments and homes which they furnished but which they now no longer occupy.

Rentals charged in subleases are known to have experienced a deep decline. But the Labor Department has no record of this. The result is that persons who were formerly received from \$100 to \$150 a month for apartments which they had sublet are not getting but half that sum in many cities.

In one or two cities rents and building prices have fallen into the proportions that obtained before the great war, according to reports to the Federal Reserve Board. Boston is one such city. This, although not yet reflected to a great extent in the rentals received by the original landlords or owners, nevertheless indicates that soon the original rent level will begin a decline as well as the level of rents received under subleases.

The problem of high rents is beginning to solve itself as building operations intensify.

Liquor Smuggling Increases.

With the supplanting prayers, the immigration service turned for assistance to the Navy Department, the Army and to the prohibition director, with the result that an effort has been made along the coasts to prevent the smuggling of liquor into the United States from the Bahamas and from the West Indian Islands. But these efforts have proved unavailing and the smuggling of liquor is going on at a greater pace than at any time since the Eighteenth Amendment was adopted.

Congress apparently does not intend to act and there will be no deficiency appropriation before July 1 for any increased activity on the part of the Customs Service, the Public Health Service, prohibition enforcement, the Immigration Service, or any other agency of the Government dealing with matters of this kind.

Representative Johnson (Wash.), chairman of the House Committee on Immigration, is seeking the passage of legislation which will extend for another year the provisions of the Johnson amendment to the immigration act which limits immigration. The extension bill will extend for another year the provisions of the Johnson amendment to the immigration act which limits immigration. The extension bill will extend for another year the provisions of the Johnson amendment to the immigration act which limits immigration.

Could Use the Alien Tax.

Recent appropriations made available to the Immigration Bureau by Congress carry authorization for the expenditure of approximately \$2,000,000. Such sum is wholly inadequate to enforce the law. Twice this sum would be insufficient.

Continued on Page Eighteen.

Watering the American Dollar.

Baffled on every hand in its struggles to find the money for the bonus, the shifty Ways and Means Committee now proposes in its desperation to water the American dollar.

Its latest plan to chisel five billions of dollars out of the people for the bonus is to have the Government issue its promissory notes to the soldiers, with a provision compelling the national banks of the country to make loans to soldiers for a period of three years on these notes of eighty-five cents on the dollar.

This is nothing short of economic idiocy. The banks have no available funds for such loans. The printing press alone can furnish the banks with the money, and printing press money is watered money, and every thousand millions of printing press money thrown in with the good money waters all the money—waters your money, Mr. Citizen, and cuts down its buying power, the buying power of your dollar.

This is politics, Mr. Citizen, raw politics—a desperate raid on your pocket for personal political gain.—Editorial.

LIVING COST DROPS 13 PER CENT. IN YEAR

Gradual Decline Is Continuing Except in Direction of Housing.

THAT ITEM HAS A RISK

Lower Level Reached in West Than in East Owing to Deflation.

Special Dispatch to THE NEW YORK HERALD. New York Herald Bureau, Washington, D. C., March 4.

The general level of living costs is 13 per cent. below what it was a year ago, official reports of the Department of Labor showed today.

Keeping one's self fed, clothed and sheltered, plus provision for a necessary amount of recreation, costs but 87 cents where it cost \$1 a year ago. It is getting easier to live. Through-out every section of the United States the gradual decline of prices of almost all necessities has been going on steadily for many months. There is nothing in sight in the general economic situation to indicate that the low level has yet been reached. A continued decline is recorded month by month as the price statistics flow into the offices of the labor department, where the statisticians preside over and keep watch of the price index lines.

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Continued on Page Ten.

Bootlegger's Bodyguard Shoots Detectives Near 'Al' Smith's Home

Detectives John Gorman and William T. Whelan of Inspector Coleman's staff were shot last night when they stopped to question a man standing in front of 39 Oliver street, diagonally opposite the home of Alfred E. Smith at 25 Oliver street. Gorman was wounded in the right groin and is in Volunteer Hospital in a critical condition. A bullet struck Whelan in the calf of the left leg.

The shooting caused an uproar. Patrolman Daniel R. Sullivan of the East Sixty-seventh street station, who was off duty, and Patrolman John Hoolhan of the Oak street station chased a man almost to Chatham Square firing shots. They arrested George Bruno, 21, of 116 Macdougall street. It was charged that he had been hired to act as bodyguard to a bootlegger.

At the hospital Gorman and Whelan said they became suspicious of a man shifting uneasily at the foot of the steps at 39 Oliver street. After watching him a few minutes they approached. Apparently the man had observed their eyes on him. He swung about suddenly, with two revolvers drawn, and began shooting. Gorman was the nearest, and received the first shot. Whelan dropped next.

Out of the door and down the steps rushed another man, who seized the one standing by the steps, and they dashed off together. The second man escaped.

Bruno in a statement at the Oak street station said he was hired to protect a bootlegger who had been warned against going into the Cherry Hill and Chatham square districts. At his employer's request, Bruno said, he took two revolvers. He said he thought the detectives were holdup men and fired as quickly as he could.

Detective Gorman lives at 144 Prospect place, Brooklyn.

Continued on Page Two.

BONUS RAIDERS DEFY PUBLIC SENTIMENT WITH 'GOLD BRICK'

16 Republicans Leagued to Sponsor Bill for 85 Cent Dollar.

TO REPORT THURSDAY

Retroaction Scheme Introduced Designed 'to Pay' Relatives of Dead.

AVALANCHE OF PROTESTS

Two to Three Billions of Dollars Would Be Tied Up for Three Years.

By LOUIS SEIBOLD.

Special Dispatch to THE NEW YORK HERALD. New York Herald Bureau, Washington, D. C., March 4.

Sixteen members of Congress have decided to defy public sentiment which is overwhelmingly opposed to the bonus raid on the national finances and business of the country.

The scheme favored by these sixteen men and being reduced to legislative form to-night proposes to pay over to ex-service men \$5,000,000,000 in depreciated dollars to be raised by inflating the bona fide currency of the nation.

The program is declared to be "full of holes" by Treasury experts and financiers. In support of their assertion these authorities declare that under long established laws the loan insurance certificates to be given to ex-service men as a bonus will not be eligible for rediscount. The certificates will not be acceptable as notes or bonds because they are not to be made negotiable nor transferable. This fact alone will close the doors of all banks against them as security.

Frenzied Anxiety for Votes.

Republican members of the Ways and Means Committee apparently have overlooked this obstacle as also the advice of President Harding to postpone all bonus legislation in their frenzied anxiety to win the political support of ex-service men.

The republican members of the committee are: Joseph W. Fordney of Michigan, William R. Green of Iowa, Nicholas Longworth of Ohio, Willis C. Hawley of Oregon, Allen T. Treadway of Massachusetts, Ira C. Copley of Illinois, Luther W. Mott of New York, George M. Young of North Dakota, James A. Freer of Wisconsin, John Q. Tilson of Connecticut, Isaac Bacharach of New Jersey, Lindley H. Hadley of Washington, Charles B. Timberlake of Colorado, George M. Bowers of West Virginia, Henry W. Watson of Pennsylvania and Thomas A. Chandler of Oklahoma.

After excluding the eight Democratic members of the committee from their conference these Republican members voted unanimously to instruct a subcommittee to frame the scheme horn of desperation and to impose the bonus raid on the country despite a tidal wave of popular protests of greater magnitude than was ever before directed against a Congressional measure.

To Be Submitted Thursday.

The perfected scheme which adopts as the basis for obeying the orders of the bonus propagandists an insurance loan certificate that amounts in the end to a promissory note upon which the Government must advance 85 per cent. of the face value at the end of three years will be submitted to the full Ways and Means Committee on Thursday.

The attitude of the eight Democratic members is not finally decided, but three of them this afternoon did not hesitate to indicate their opposition to it. Representative Garner (Texas) described it as "the very worst proposition yet conceived, unjust to ex-service men as well as the other people of the country."

Representative Oldfield (Ark.) characterized the insurance certificate loan raid scheme as "a gold brick because it proposes to make the soldier take an 85 cent dollar."

Another Democratic member of the committee succinctly described it as "a badly thing for pawnbrokers and loan sharks." The remaining members of the committee will probably concur in the view of their party associates so that the latest bonus scheme will become a partisan measure despite the assertions of American Legion officials that their organization is "non-partisan and non-political."

The subcommittee of the Ways and Means Committee which has been finishing touches on the new scheme this afternoon is confident it can be railroaded through the House, can stand a good chance of passing the Senate and "receive favorable consideration at the White House."

The most diligent inquiry among Republican members of the commit-

Famous Ferris Wheel of Paris Is Scrapped

Special Cable to THE NEW YORK HERALD. Copyright, 1922, by THE NEW YORK HERALD. New York Herald Bureau, Paris, March 4.

ANOTHER fortnight and the big Ferris wheel of the Paris Exposition of 1900, that immense toy which is known to every foreigner who has visited the capital in the last twenty years, will have gone the way of other toys. Oxy-acetylene torches have made possible the scrapping, which engineers had declared to be practically impossible without endangering life in the neighboring streets. The intense flame clipped off the metal braces regardless of their weight. To-day only one small section of the wheel and two up-rights remain. More than 200 tons of scrap metal have been obtained, which will return a profit to the wrecking contractors.

LODGE TO RUSH VOTE ON FOUR POWER PACT

President Indorses Senator's Plan for Ratification of Pacific Treaties.

GIVEN RIGHT OF WAY

To Have Precedence Over Naval, Chinese and Other Arms Conference Pacts.

WASHINGTON, March 4.—The four Power Pacific treaties will be taken up Monday by the Senate and discussed virtually every day thereafter until a vote on ratification is obtained under a program said to have been agreed on at a conference to-day between President Harding and Senator Lodge.

Administration spokesmen, it was announced, will open the fight for ratification of the treaties, with Senator New (Ind.), a close personal friend of the President and a Republican member of the Foreign Relations Committee, speaking Monday, and Senator Kellogg (Minn.), another Republican committeeman and confidant of the President, on Tuesday. Senator Lodge, it was said, also will speak soon and present some of the arguments of the Administration in support of ratification.

President Harding was said to be in complete accord with Senator Lodge's plans for proceeding with the arms conference treaties. Their conference at the White House to-day was said to have been for the purpose of discussing procedure and to keep the President informed as to the situation, including the effect of legislative matters also before the Senate. Administration leaders plan to give immediate top priority of way to the Department of Justice bill to create a number of additional Federal Judges, but subject to debate on the Four Power treaty. It is not Senator Lodge's intention to force the treaties for the next few days, but after that the Administration will push them to the front and hold the conference to the exclusion of all other business.

It was stated that President Harding concurs with Senator Lodge's program of giving the Four Power treaty precedence over the arms conference treaties of the navy, Chinese and other treaties of the arms conference, although some Republican Senators have been of the opinion that the naval treaty ought first to be taken up.

One of the strong arguments to be advanced by the Administration forces, it was learned, involves the question of priority of the arms conference of the Four Power treaty. It was said, was prepared to insist that opposition to the Four Power Pacific measure would imperil the naval limitation agreement—that it would be dangerous to ratify the naval treaty without ratification of the Four Power treaty. The point, it was said, would be based on the argument that if the Four Power Pacific measure should be rejected the United States could not safely consent to limitation of the American Navy with the Anglo-Japanese alliance in effect and with the possibility of a naval treaty, which, it is contended, the four Power treaty would minimize.

Those supporting the four Power treaty expressed the opinion to-day that its opponents would hesitate to vote against its ratification if they should realize that such a vote would imperil the naval treaty. It is contended, however, that a hard and prolonged fight faces the four Power measure.

DR. PRINCE IN HALIFAX TO HUNT FOR GHOSTS

Takes to Haunted House Press Men and Photographers.

Special Dispatch to THE NEW YORK HERALD. HALIFAX, March 4.—The haunted farmhouse of Alex. MacDonald's, near Caledonia, N. S., will be subjected to a scientific investigation by Dr. Walter Franklin Prince, director of the American Institute for Scientific Research, who arrived here from New York to-day.

Accompanied by reporters and photographers Dr. Prince will leave for the abandoned farm Monday morning. MacDonald and his family left the house several months ago after declaring that a mysterious power had started two fires and killed several head of farm stock. A reporter and a detective recently reported that they had been slapped by an invisible hand in the house. Dr. Prince will try to have the MacDonald family return to the house, as he believes MacDonald's house may be possessed of a dual personality.

FLU RAGES ON BLOCK ISLAND.

Special Dispatch to THE NEW YORK HERALD. NEWPORT, March 4.—Block Island, a tiny mile off this coast, is having an influenza epidemic, 10 per cent. of its 300 inhabitants having the disease, with forty cases in a serious condition and two deaths.

CHURCHILL PREDICTS THAT LLOYD GEORGE WILL RESIGN SOON

Says Premier Hopes for Center Party of Moderates and Liberals.

WILL BE PROGRESSIVE

Leader Urged to Wait So as to Carry Out Policy at Genoa.

SOCIALISM THE ENEMY

Declares £50,000,000 Due the United States Is Here Awaiting Maturity Date.

LONDON, March 4. (Associated Press).—Outwardly the political crisis is unchanged. Winston Churchill's speech at Oxford yesterday, like the speeches of Austen Chamberlain and Sir Laming Worthington-Evans, was chiefly remarkable for its omission of any direct reference to Sir George Younger, leader of the Conservative secessionists. Apparently there is no intention among the Premier's Conservative colleagues to emulate Lord Birkhead in reading a public lesson to the offending Conservative organizer.

Mr. Churchill's speech at Loughborough to-day, so far as may be supposed to reflect the Premier's mind, clearly looked to the formation of a new national party out of the present coalition whenever a political battle is joined, but as to when this may be he gave not the slightest indication. His words conveyed what he regarded in political circles here as seemingly a clear intimation of the very resignation of the Prime Minister.

Mr. Churchill declared there was certain to be a political battle in England in the near future.

A Strong New Party.

"I look forward to the day when out of the Coalition there shall arise a strong, united and permanent national party," he declared. Alluding to the coming political conflict he said: "I think we shall go into action when the time comes under our trusted leader with good comradeship and discipline."

During the course of his address Mr. Churchill declared: "We have one common opponent in the Socialistic or semi-Socialistic party, whose doctrines are as hateful to the principle of liberalism as they are pernicious to the empire's best interests."

The Colonial Secretary's speech received a mixed reception of groans and cheers. His address was a strong justification of the Coalition policy, only referring indirectly to outside critics.

He asked whether they were to enter the great political battle with skillful leaders, a good organization and combined armies or without plan, unity or organization, and with their generals engaged in quelling insubordination at headquarters. He hoped that when the time came wisdom would prevail and they would enter the struggle with good comradeship and discipline. He warned his audience that if they entered the battle divided they would let in "a party whose policy will be injurious to the interests of the nation and to the cohesion of the empire."

Talks About Ireland.

With reference to Ireland, Mr. Churchill said the Government was employing two new weapons to restore order, more powerful weapons than were ever used before in seven centuries: Irish British ogod faith, and second, Irish responsibility.

He urged that the Government should have full and fair play. He claimed that in its foreign policy the Government had endeavored to mitigate the sentiments of revenge against a beaten enemy and had tried to secure the revival of economic life in Central Europe.

Alluding to the nearly £50,000,000 due to be paid to the United States this year, he said the bulk of this already had been transferred to the other side of the Atlantic awaiting the moment when payment was due.

Speaking of the rise in value of the pound sterling, thus facilitating purchases from America, Mr. Churchill repeated his recent strong attack on the Labor and Socialist parties, declaring they were unfit to govern, but warning his hearers not to delude themselves by supposing that the country was not confronted with a serious attack from these parties.

There are, he thought, however, some slight signs that the immediate crisis may be smoothed over temporarily. A curious incident happened to-day. All the morning papers announced that the Prime Minister would on Sunday hold a conference with the members of the inner Cabinet at Chequers Court. This must have been communicated to the papers from some authoritative quarter, but the story was denied categorically.